

**Remarks for Daphne Jefferson
FMCSA Deputy Administrator
2015 Moving Season Kickoff
San Diego, CA
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Introduction

Welcome everyone to the kickoff event for the 2015 Moving Season.

I am very happy and honored to be here to help get the word out about the dangers of moving fraud and what each of us can do to protect ourselves and our families.

I would like to thank my fellow panelists for participating in this important event and lending us their expertise on this issue that affects all of us.

My agency -- the Federal Motor Carrier Safety Administration -- is responsible for regulating 4,800 registered interstate household goods carriers and 500 brokers and taking action against rogue movers and fraud.

Let me be clear on this point: though we are here today to talk about moving fraud, we know that those of you here today are not in that rogue group.

In fact, we have been working with the moving industry to identify and take action against the few bad actors with the potential to tarnish the reputation of the industry that serves tens of millions of Americans every year.

For most people, a move is an exciting time. It represents a change of scenery, a fresh start, and opens new opportunities.

Diagnosing the Problem

But moving can also be expensive and stressful. Fraudulent movers who lure customers with too-good-to-be-true prices can take advantage of the situation. We don't want people to fear that an irreplaceable heirloom that has been in the family for generations will disappear en route.

The problem is bigger than many of us realize.

Each year, about 1 in 10 Americans packs up their belongings, including antiques, photos, and other expensive and sentimental items and moves to a new location. About one in seven of those moves is across state lines.

Here's the scary part:

- Our numbers tell us that more than 5,500 of those moves result in a complaint.
- About one in three people who moved reported lost or damaged property.
- One in 10 experienced a so-called "hostage load" situation, when a moving company holds onto the shipment to demand more money for its return.
- And one in 10 reported "unauthorized operations," where a motor carrier transporting household goods are not allowed to do so.

The average loss in a fraud case is \$25,000 and, of course, no amount of insurance can compensate you for the sentimental value of losing or having family heirlooms damaged or held hostage.

Fixing the Problem

- That is why FMCSA is working hard every day to take enforcement on non compliant movers and brokers.

We have systems in place to receive and address complaints, analyze the complaints for patterns, and take enforcement action against predatory moving companies and brokers.

We also have mounted public outreach campaigns like this one as a key piece of our overall strategy to combat moving fraud. We all have a role to play in this effort.

It is in your interest and mine that the American people know how to spot deceptive business practices, understand the law and know their rights, and – if the worst happens – who to call for enforcement action.

- I ask you to direct your customers to our Protectyourmove and invite them to check the background of their movers.
- It will quickly become clear to them which are the legitimate movers and which are to be avoided.

- All that information is available at www.protectyourmove.gov.

The National Consumer Complaint Database (NCCDB)

We also maintain and continually update a National Consumer Complaint Database that is open to the public. By checking the NCCDB before hiring a mover, people can avoid signing a contract, writing a check, or handing over their worldly possessions to someone with a history of involvement in fraud, hostage loads, and damaging property.

- Our databases are publicly available at <http://nccdb.fmcsa.dot.gov> and are searchable by company name or DOT number. *(Each of these URLs will be provided on the PowerPoint slides at the end of my presentation).*
- Everyone should verify the operating status of a moving company and examine its complaint history.

FMCSA also created working groups on Household Goods and Moving Fraud to bring together federal agencies, consumer protection organizations, and industry to combat moving fraud and improve consumer protection.

FMCSA at its core is a safety agency, and our public databases also contain driving, maintenance, licensing and insurance records on household goods carriers. It is probably not surprising that moving companies that engage in deceptive business practices are also not paying close to attention to vehicle maintenance and hiring qualified drivers.

- All that information is available to you as well at our website.

Teeing up the Moving Fraud Video

To put a human face on the numbers, we went out and interviewed victims of moving fraud and let them tell their stories in their own words. I have brought along that video and will show it to you in a minute.

When I watch it, two things strike me:

- 1) First, the victims are ordinary Americans, no different from you and me.
The people you will see are not paid actors and the stories they tell are real.
That tells me that any of us can fall victim to this crime.
- 2) Second, awareness and education can effectively reduce the problem. The victims depicted are honest about what went wrong and we offer helpful tips on what to do should you find yourself in this predicament.

This video was completed just days ago. So consider this its world premiere.

Before we roll the video, let me thank you again for participating in this event and for helping us combat this all-too-common problem.

I ask that we all do our part to make the 2015 Moving Season a big success across this great nation of ours.

Thanks very much.

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